



भारतीय प्रतिभूति और विनिमय बोर्ड  
Securities and Exchange Board of India

CIRCULAR

CIR/IMD/FIIC/13 /2013

August 13, 2013

**All SEBI registered Intermediaries/ Recognized Stock Exchanges/ Depositories/ Mutual Funds/ qualified Depository Participants (DP)**

Sir / Madam,

**Sub: Investment by Qualified Foreign Investors (QFIs) in “to be listed” Indian Corporate Debt Securities**

1. Vide SEBI circular CIR/IMD/FII&C/17/2012 dated July 18, 2012, QFIs had been allowed to invest in listed/ to be listed Indian corporate debt securities through public issues and units of debt schemes of Indian mutual funds.
2. Based on the feedback received from market participants, with a view to align the eligibility criteria for investment in debt securities between SEBI and RBI, and to bring QFI and FII at par for investment in “to be listed” debt securities, it has now been decided to allow QFIs to invest in “to be listed” corporate debt securities directly from the issuer.
3. In the circumstance that the debt issue cannot be listed within 15 days of issue for any reasons whatsoever, then the holding of the QFI shall be sold off only to domestic participants/investors until the securities are listed.
4. All other applicable stipulations prescribed by SEBI in circular CIR/IMD/FII&C/17/2012 dated July 18, 2012 shall continue to apply.

This circular is issued in exercise of powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act, 1992, to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.

Yours faithfully,

**PARAG BASU**  
General Manager  
Tel No.: 022-26449360  
Email: paragb@sebi.gov.in